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RUEHC/DEPT OF LABOR WASHDC
RUEHRC/DEPT OF AGRICULTURE WASHDC
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RHMFISS/HQ USAFRICOM STUTTGART GE
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SENSITIVE
SIPDIS

USAID/AFR FOR ATWOOD
DEPT PASS USTR-AGAMA
BAGHDAD FOR DMCCULLOUGH
DOE FOR GPERSON, CHAYLOCK
LABOR FOR SHALEY
DEPARTMENT PASS TO USAID
USDA/FAS/OTP FOR MCKENZIE

E.O. 12958: N/A
TAGS: [PGOV](#) [ECON](#) [SENV](#) [KGHG](#) [ENGR](#) [EAID](#) [ELAB](#) [EPET](#) [EFIN](#) [NI](#)
SUBJECT: NIGERIA: BI-WEEKLY POL/ECON UPDATES FOR JUNE 1-14, 2009

Ref: A. Abuja 714

[1](#)B. Abuja 790
[1](#)C. Abuja 950
[1](#)D. Abuja 968

[1](#)1. (U) The Following is a joint Embassy Abuja, ConGen Lagos compilation of June 1-14, 2009 political/economic highlights, which did not feature in our other reporting, covering:

--Economic News
--Health
--Political News
--Delta Incidents
--Oil and Gas

ECONOMIC NEWS

[1](#)2. (U) NIGERIAN MINISTRY OF SCIENCE AND TECHNOLOGY INAUGURATES CLIMATE CHANGE DESK: The Federal Ministry of Science and Technology, on June 9, inaugurated a Climate Change Desk (CCD) at a public ceremony attended by members of the government, donors, nongovernmental organizations, and the media. Addressing participants, Minister of Science and Technology Alhassan Zaku outlined the negative impacts of climate change on Nigeria and the need to establish appropriate adaptation and mitigation strategies. He said science and technology hold the key for effective response to climate change and his ministry, through the Climate Change Desk (CCD), will lead these efforts. According to Minister Zaku, the CCD will respond to climate change by, among other things, identifying appropriate technologies, conducting technical assessments and capacity building, and developing programs and identifying financing mechanism for their implementation. In related news, the Nigerian government has commenced the process of ratifying the Kyoto agreement on climate change, according to Dr. Victor Fodeke, Director of the Climate Change Unit at the Federal Ministry of Environment. He added that the outcomes of the Copenhagen Conference on Climate Change will not affect the Kyoto protocol but will rather strengthen it. In recent months, the GON has been active in implementing some of its commitments under the United

Nations Framework Convention on Climate Change (UNFCCC) -- for example, the establishment of the CCD -- which it sees a necessary step as it prepares for the Copenhagen Conference.

13. (SBU) D-8 DISCUSSES ALTERNATIVE SOURCES OF ENERGY: According to the Permanent Secretary of the Ministry of Science and Technology, Wahab Jimoh, Nigeria hosted on June 2-3 the first D-8 Experts Working Group on Alternative Energy. Participants discussed collaborations on developing and deploying alternative energy resources. (Note: The D-8 is a grouping of developing countries with large Muslim populations: Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan, and Turkey. End note). PermSec Jimoh noted that the D-8 will provide a framework for member countries to conduct collaborative research and share information for the development and deployment of alternative energy solutions to the energy and climate crises that they all face. He said that the member countries are evaluating their relative technical and scientific strengths, which will be matched to the specific needs of member countries.

14. (SBU) US COAST GUARD OFFICERS VISIT LAGOS IN PREPARATION FOR A PORT SECURITY INSPECTION IN SEPTEMBER 2009: Meetings were held with various industry organizations and government bodies with responsibility for regulating the shipping industry and providing maritime security. Industry interlocutors unanimously criticized the current structure for implementation of the International Shipping and Port Security (ISPS) Code in Nigeria, claiming that the designated Nigerian authority, the Presidential Implementation Committee on Port Safety and Security (PICOMSS), does not have the necessary competence to be effective. PICOMSS is located in Abuja and dominated, according to industry spokesmen, by politicians with

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no appreciation, understanding, or competence in maritime matters. There was widespread agreement among industry representatives that the Nigerian Maritime Administration and Safety Agency (NIMASA) would be a better organ for implementing and monitoring the ISPS Code in Nigeria. In general, industry contacts said that security at privately managed and operated terminals, particularly the crude oil off-loading terminals, is good, but they were concerned about insecurity in Nigerian ports and waters generally.

HEALTH

15. (U) ZANFARA STATES HONORS USAID/MISSION NIGERIA FOR CONTRIBUTIONS IN HEALTH AND COMMUNITY MOBILIZATION EFFORTS: The coalition of non-governmental organizations (NGOs) in Zamfara State held its second annual "National NGOs Summit" on May 16 during which it honored the USAID/Nigeria Mission with the certificate of "Outstanding Development Partner." On behalf of Governor of Zamfara State, the Special Advisor on Information Technology and the coalition chairman recognized contributions of USAID to health and community mobilization efforts, notably Community Action for Participation in the Social Sector (COMPASS) Polio Project and ACCESS Project. The COMPASS Polio Project has been working with community based, religious and traditional groups to reduce non-compliance to the polio vaccination. The ACCESS project has been working with community groups to build a household-to-hospital continuum of care to reduce maternal and child mortality and morbidity. Yahuza Ahmed Getso, the COMPASS Polio Eradication Officer in Zamfara State, accepted the award on behalf of USAID/Nigeria.

POLITICAL NEWS

16. (SBU) HUMANS RIGHTS ACTIVISTS CALL ON THE NIGERIAN LEGISLATURE TO REVIEW THE RECOMMENDATIONS OF THE ELECTORAL REFORM PANEL: At a meeting at the Lagos Sheraton hotel on June 12 several South West groups marked the 16th anniversary of the June 12, 1993 Presidential election believed by some to be Nigeria's freest and fairest election to date. (Note: Millionaire Yoruba businessman Moshood Abiola was generally perceived as the winner of that election; however Nigeria's then military ruler Ibrahim Babangida nullified the results. Abiola died in prison several years later. June 12

commemorations occur annually in Lagos and this year the state declared the day a state holiday. End note.) This year's anniversary revolved around the theme of credible electoral reform as a panacea for electoral fraud and a stable democracy. Many prominent local political figures and human rights activists called on the Nigerian legislature to review the recommendations of the electoral reform panel established earlier by the GON. They criticized the GON's subsequent paper transmitting only a portion of the panel's recommendations to the National Assembly and urged the assembly to rely on the panel's original recommendations. Shina Loremikan, a human rights activist, told PolSpec that Nigerian civil society groups will collaborate with opposition political groups to ensure that an electoral law that will guarantee a truly independent electoral body and a free and fair electoral process is enacted by the National Assembly.

¶7. (U) HOUSE OF REPRESENTATIVES PASSES TEN BILLS: On June 2-3 the House of Representatives closed their second session with the passing of ten bills; bringing the total number of bills passed by the House (and clean copies produced) from June 2007 to June 2009 to ¶50. The latest bills passed include:

- HB. 22: National Climate Change Commission Bill, 2008
- HB. 37: Physically Challenged Persons Trust Fund (Establishment) Bill, 2008
- HB. 46: Nigerians with Disabilities Bill, 2008
- HB. 124: National Agricultural Seeds Council Bill, 2008
- HB. 125: Nigeria Agricultural Quarantine Service Bill, 2008
- HB. 126: National Agricultural Development Fund Bill, 2008

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- HB. 133: National Programme on Immunisation (Repeal) Bill, 2008
- HB. 134: Primary Health Care Development Agency (Amendment) Bill, 2008
- HB. 142: River Basin Development Authorities (Amendment) Bill, 2008
- HB. 160: Hydroelectric Power Producing Areas Development Commission (Establishment, etc.) Bill, 2008

¶8. (SBU) LABOR RESUMES PROTEST RALLIES: The Nigerian Labor Congress (NLC) announced it will resume protest rallies it earlier suspended in May. A rally will be held in the northern city of Kano on June ¶16. NLC Spokesperson Owei Lakemfa said the NLC will recommence the rallies because the GON failed to follow up on its promise to address the NLC's key demands. Lakemfa accused the GON of failing to establish a tripartite committee to negotiate a new minimum wage as agreed by the two parties. NLC Assistant General Secretary Denja Yakub told PolSpec the NLC will meet later in June to review the protest rallies and decide on further actions it can take to pressure the GON on downstream price deregulation, minimum wage changes, and electoral reform. Yakub warned that the NLC may resort to an indefinite industrial action if the GON fails to act decisively on its demands.

DELTA INCIDENTS

¶9. (U) See Septels

OIL AND GAS

¶10. (SBU) ONE YEAR ANNIVERSARY OF THE Ogoniland OIL FIELDS TRANSFER FROM SHELL TO NNPC: June 4 marked the one year anniversary of President Yar'Adua's announcement that responsibility for operating the Ogoniland oil fields in Rivers State would be taken away from Shell Petroleum Development Company and turned over to another oil company. To date, there has been no work to restart production in those fields and they remain shut-in. Press reports say that the Ogoni people are unhappy with the GON's decision to give operating control of the fields to a subsidiary of the state-owned Nigerian National Petroleum Corporation (NNPC). Shell did not fight the GON's decision to transfer operatorship of the oilfields and the company retains its financial interest in the fields through its joint venture partnership with AGIP and NNPC. Shell ceased production there in 1993 due to community unrest. At the time, the Ogoniland fields produced 28,000 barrels of oil per day.

¶11. (SBU) Comment: The Ogoni people reportedly want a say in deciding which company is granted permission to operate the fields. Given the relatively small size of the fields and the long history of troubled community relations, a major international oil company is unlikely to seek the concession. Small indigenous oil companies tell us they are reluctant to operate there as well. Industry rumors persist that a new entrant to the Nigerian petroleum sector (Asian and Russian companies are often mentioned) seeking to curry favor with the GON may attempt to acquire the concession, but working the Ogoni fields would be a tall order for a company unaccustomed to the complex community politics of the Niger Delta. Despite its lackluster operational history, NNPC may be the only viable option. End Comment.

SANDERS